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Meese Brought In FBI 4 Days After Key Finding

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Attorney General Edwin Meese III waited five days after the first offer of help from the Federal Bureau of Investigation and four days after the discovery of a key document indicating the possibility of wrongdoing before bringing the bureau into the investigation of funds from Iranian arms sales that were diverted to assist the Nicaraguan contras.

FBI Director William H. Webster said yesterday that Meese turned down his routine offer of FBI help on Nov. 21, hours after President Reagan instructed Meese to find out all the facts behind the clandestine sale of U.S. arms to the regime of Ayatollah Ruhollah Khomeini.

The next day, Meese and his aides found a crucial National Security Council document that quickly led them to discover that funds from the secret Iranian arm sales had been diverted to the contras. Webster said he did not learn of Meese's discovery of that document on Nov. 22 until the attorney general announced it at his Nov. 25 news conference at the White House.

The crucial NSC document showed "that somebody had done something that was . . . improper or unauthorized," Webster told a breakfast meeting of reporters yesterday. He refused to describe it further or to say whether it had been circulated within the White House "because I don't want to discuss the details of an investigation."

Webster also said that he did not believe that any documents had been "shredded" that would be pertinent to the investigation. FBI agents have found, he said, that NSC staff members "routinely destroy or shred records . . . for the interest of security. But we have not come across anything at this point that suggests any out of the ordinary course [of] destruction of records."

The document found Nov. 22, along with an explanation of it obtained from NSC staff member Lt.

Col. Oliver L. North the same day, led senior attorneys in the Justice Department's criminal division to believe that criminal violations might have taken place, Webster said.

"I made my usual proffer, 'Is there anything we can do for you?' " Webster said yesterday of his Nov. 21 conversation with Meese. "And he said, 'Well, I don't know of anything that's criminal at this point, do you?' And I said, 'No, on what I know, I don't know either.' "

Webster said, "We haven't found any evidence to date that would suggest that we were handicapped" by not getting into the case earlier.

On Nov. 25, the day before the FBI entered the case, Webster said he told Meese that "all officials would be requested to preserve records intact."

Asked about how details of the FBI investigation are being handled now, Webster said he was getting a daily briefing and that information is also passed on to Meese's deputies who are supervising the legal aspects of the probe.

The question of whether that investigative information is passed on to the White House is decided by the attorney general. The past attorneys general that Webster worked under, he said, took "the position that information about an investigation involving the White House ought not to be disseminated in the White House absent some overriding reason."

His "understanding," Webster said, was that "we would not be making further reports [to the president] unless there were something of critical national security interest . . . until we have the case finished."

When an independent counsel takes over, Webster said, he assumed the FBI would continue its work, but its investigative reports would go solely to the new counsel and no longer to the Justice Department or its officials. Meese announced Tuesday that he was seeking appointment of a special counsel by a three-judge appeals panel here to handle the investigation.

Webster said that "impatience and frustration . . . over longstanding, unsolved problems, I think efforts really to get the hostages out, and so on," led to the NSC staff activities now under investigation.

According to knowledgeable officials, the Iran-contra affair began

coming to light on Nov. 20, when Meese and a top aide were reviewing legal issues involved in forthcoming administration testimony on the Iranian arms sales. They discovered "noticeable gaps in the information" that various officials planned for the upcoming set of hearings.

The next morning, beginning at 9 a.m., CIA Director William J. Casey was questioned sharply by members of the House Permanent Select Committee on Intelligence about the handling of funds generated by the sale of \$12 million worth of U.S. arms to Iran this year. Casey could not answer many of the questions and committee members demanded a complete audit of the operation.

At 11:30 that morning, according to a Justice Department official, Meese met with President Reagan, White House chief of staff Donald T. Regan and national security adviser John M. Poindexter and told them they needed to collect all the facts for "a complete, comprehensive overview." Meese was given the assignment with the understanding his report would be ready for an NSC meeting on Nov. 24 at 2 p.m.

Meese returned to the Justice Department and pulled together a small team of close aides. Sometime that afternoon, he also spoke with Webster and according to the FBI director said that he wanted to get "a true factual picture because there seemed to be some blurring of what people were saying and the attorney general had gotten the ticket to find out exactly what had taken place."

Meese asserted at a news conference Tuesday that he and Webster "both agreed there was no legal basis" for the FBI's involvement on Nov. 21 "because there was no even [sic] suggesting of anything criminal which would justify legally their entrance into the matter."

FBI and Justice Department officials acknowledged yesterday, however, that the FBI can conduct "special investigations" or "administrative inquiries" for the president without any evidence of a federal crime. But Webster said yesterday any suggestion that it should have been called in earlier was "hindsight."

On Nov. 22, the Meese team came across the key document, prompting a lengthy interview with North, the point man in the Iranian arms sales and the contra operation. The Meese team worked into the night and interviewed North again the next day. By then, sources say, it became increasingly clear that there was a connection between the funds generated from the sale to Iran of arms and funds going to the contras.

In the course of the inquiry, Meese and his aides interviewed principal figures including the president, Casey, Secretary of State George P. Shultz, Secretary of Defense Caspar W. Weinberger, and Poindexter.

With more work to be done, the Nov. 24 deadline for the NSC meeting slipped by.

On Nov. 25, after an early morning meeting with Meese, the president decided publicly to announce Meese's findings, and did so at noon. Reagan also announced that North had been relieved of his duties and Poindexter had resigned.

The attorney general, at his news conference immediately afterward, said that an estimated \$10 million to \$30 million in Iranian arms sales profits had been diverted to aid the contras.

It took another day to bring the FBI into the inquiry, according to the chronology Webster provided yesterday.